HILLGROVE
RESOURCES

Friday, 1 September 2006

HILLGROVE APPOINTS FORMER SOUTH AUSTRALIAN PREMIER HON. DEAN BROWN TO THE BOARD

The Board of Hillgrove Resources Limited (ASX:HGO) is pleased to announce the appointment of the Hon. Dean Brown as a Director of the Company.

Mr. Brown has had a distinguished career in South Australian politics spanning a period of thirty years. He served as the Premier of South Australia from December 1993 to November 1996 and has held a number of key Ministerial posts. Since retiring from Parliament in March this year, Mr Brown has worked as a management consultant in both the private and public sectors and holds a number of board appointments, including the National Youth Mental Health Advisory Board and Foodbank SA.

Mr Brown is the independent chair of the Strathalbyn Community Consultative Committee which was established by the South Australian Government to consider issues relating to Terramin Australia Limited's proposal for a zinc mine near Strathalbyn.

Mr David Archer, Managing Director of Hillgrove Resources, said today "the directors are delighted to welcome Dean to the board. His vast experience over the past three decades will provide invaluable assistance as we continue to position Kanmantoo as a potential mid-tier copper gold producer."

About Hillgrove

Hillgrove is an Australian resources company listed on the Australian Stock Exchange which focuses on identifying resources opportunities that can either be brought into production readily or those where there is a clearly defined value adding route within a clearly understood risk environment. Commodities that are of particular interest include copper, gold, garnet, silver, lead, zinc, uranium and natural gas.

Hillgrove is exploring a total of 974 km² in the Kanmantoo Trough and the Gawler Craton, two of the most prospective regions of South Australia, for copper and gold. Additionally, Hillgrove has a 31% shareholding in InterMet Resources Limited (ASX:ITT) which has over 6,000 km² of ground in the Gawler Craton prospective for copper, gold, nickel and uranium.

Hillgrove is currently undertaking a pre-feasibility study of the Kanmantoo Copper Mine, a potential mid-tier copper producer, where it has established an Indicated and Inferred Resource of 25.375 MT grading 1.0% copper and 0.2 g/t gold. Additionally, the copper/gold mineralisation is associated with what is thought to be a World Class resource of garnet which has application as an abrasive.

In October 2005 Hillgrove announced the conclusion of a strategic alliance with Sempra Metals, a subsidiary of Fortune 500 Company Sempra Energy, involving an $8 million equity and debt package to assist the development of Kanmantoo.

The Company has a 32.5% interest in the Gunnedah Basin Gas Joint Venture's PEL 238 Coal Seam Gas Project in New South Wales. The Joint Venture currently has five wells in test production with a nine well production pilot scheduled to come on line in late 2006. PEL 238 contains one of the largest onshore accumulations of natural gas in Australia totalling 17,000 PJ's (17 TCF) of gas-in-place within two thick coal seams.

For more information contact:

Mr David Archer
Managing Director
Hillgrove Resources Limited
Tel: + 61 2 8221 0404
Mobile: 0414 737 767